

MEMORANDUM FOR: Assistant Deputy Director for Support

SUBJECT : Proceeds From Sale of [REDACTED]
Property

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Jack:

Following are the particulars on the disposition of proceeds expected to be realized from sale of [REDACTED] property which has been declared surplus.

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1. The costs of the property were:

Land	\$195,566.60
Buildings, utilities and miscellaneous facilities	456,337.00
Related personal property	6,928.00
	<u>\$658,831.00</u>

2. Amount expected to be realized from sale is not yet known. Property is to be released as surplus 31 March 1970.

3. In connection with arrangements for GSA disposal of this property, question was raised regarding disposition of proceeds. GSA called attention to the requirements of Federal Property Management Regulation (FPMR) 101-47.307-6 which provides for deposit of funds realized from sale of surplus real property to the fund for Land and Water Conservation in the Treasury of the United States. (Tab A)

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4. Our Real Estate and Construction Division took the position that the funds would be for account of Holding Agency (CIA) rather than appropriation transfer and would be deposited in the U.S. Treasury under Miscellaneous Receipts, Account 2629 (sale of other real property not otherwise classified). GSA responded by again calling attention to FPMR 101-47.307-7 which states that proceeds from sale of surplus real property shall (underscoring supplied) be covered into the Land and Water Conservation Fund in the Treasury and not under Miscellaneous Receipts Account 2629 (sale of other real property not otherwise classified). The authority for such provision is contained in 16 USC 460 L 5. (Tab B)

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5. We now have a letter prepared by Real Estate and Construction Division which advises GSA that "The proceeds, if any, are non-reimbursable to this Agency". The effect of this statement is to agree with GSA that the proceeds, if any, will be for their disposition under FPMR 101-47.307-6, i.e., for deposit to the Land and Water Conservation Fund in the Treasury. This position has been concurred in by the Office of General Counsel representative assigned to the Office of Logistics.

In light of the above, I see no alternative but to accept disposition of the proceeds as indicated and propose to concur in the Office of Logistics letter to GSA. Will you please advise me if there is any objection to this action. I shall be glad to discuss the matter in such further detail as you may desire.



— E. BUSH
Director of Finance

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**PART 101-47 UTILIZATION AND DISPOSAL OF
REAL PROPERTY**

101-47.307-2 (c)

restrictions, or conditions as to the future use, maintenance, or transfer of the property shall recite all covenants, representations, and agreements pertaining thereto.

§ 101-47.307-3 Distribution of conformed copies of conveyance instruments.

(a) Two conformed copies of any deed, lease, or other instrument containing reservations, restrictions, or conditions regulating the future use, maintenance, or transfer of the property shall be provided the agency charged with enforcement of such reservations, restrictions, or conditions.

(b) A conformed copy of the deed, lease, or other conveyance instrument shall be provided to the holding agency by the disposal agency.

§ 101-47.307-4 Disposition of title papers.

The holding agency shall, upon request, deliver to the disposal agency all title papers in its possession relating to the property reported excess. The disposal agency may transfer to the purchaser of the property, as a part of the disposal transaction, the pertinent records authorized by § 101-11.404-2, to be so transferred. If the purchaser of the property wishes to obtain additional records, copies thereof may be furnished to the purchaser at an appropriate charge, as determined by the agency having custody of the records.

§ 101-47.307-5 Title transfers from Government corporations.

In order to facilitate the administration and disposition of real property when record title to such property is not in the name of the United States of America, the holding agency, upon request of the Administrator of General Services, shall deliver to the disposal

agency a quitclaim deed, or other instrument of conveyance without warranty, expressed or implied, transferring all of the right, title, and interest of the holding agency in such property to the United States of America.

§ 101-47.307-6 Proceeds from disposals.

All proceeds (except so much thereof as may be otherwise obligated, credited, or paid under authority of those provisions of law set forth in section 204(b)-(e) of the Act (40 U.S.C. 485(b)-(e)), or the Independent Offices Appropriation Act, 1963 (76 Stat. 725) or in any later appropriation Act) hereafter received from any sale, lease, or other disposition of surplus real property and related personal property shall be covered into the land and water conservation fund in the Treasury of the United States.

§ 101-47.308 Special disposal provisions.

§ 101-47.308-1 Power transmission lines.

(a) Pursuant and subject to the provisions of section 13(d) of the Surplus Property Act of 1944 (50 U.S.C. App. 1622(d)), which is continued in effect by section 602(a) of the Federal Property and Administrative Services Act of 1949, any State or political subdivision thereof, or any State or Government agency or instrumentality may certify to the disposal agency that a surplus power transmission line and the right-of-way acquired for its construction is needful for or adaptable to the requirements of a public or cooperative power project. Disposal agencies shall notify such State entities and Government agencies of the availability of such property in accordance with § 101-47.303-2.

(b) Notwithstanding any other provisions of this subpart, whenever a State or political subdivision thereof, or a State or Government agency or instrumentality certifies that such property is needful for

LAND &
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Conservation
Fund

TAB
A
FPMR
101-47.307-6

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section 14 of this title, and amended provisions set out as a note under section 229 of Title 23, Highways, may be cited as the "Land and Water Conservation Fund Act of 1965."

Legislative History: For legislative history and purpose of Pub.L. 89-66, see 1965 U.S. Code Cong. and Admin. News, 2363.

§ 4601—5. Land and water conservation fund; establishment; covering certain revenues and collections into fund

During the period ending June 30, 1980, and during such additional period as may be required to repay any advances made pursuant to section 4601—7(b) of this title, there shall be covered into the land and water conservation fund in the Treasury of the United States, which fund is hereby established and is hereinafter referred to as the "fund", the following revenues and collections:

Surplus property sales

(a) All proceeds (except so much thereof as may be otherwise obligated, credited, or paid under authority of those provisions of law set forth in section 485(b)–(c), Title 40, or the Independent Offices Appropriation Act, 1963 (76 Stat. 725) or in any later appropriation Act) hereafter received from any disposal of surplus real property and related personal property under the Federal Property and Administrative Services Act of 1949, as amended, notwithstanding any provision of law that such proceeds shall be credited to miscellaneous receipts of the Treasury. Nothing in sections 4601—4 to 4601—11 of this title shall affect existing laws or regulations concerning disposal of real or personal surplus property to schools, hospitals, and States and their political subdivisions.

Motorboat fuels tax

(b) The amounts provided for in section 4601—11 of this title.

Other revenues

(c) (1) In addition to the sum of the revenues and collections estimated by the Secretary of the Interior to be covered into the fund pursuant to this section, as amended, there are authorized to be appropriated annually to the fund out of any money in the Treasury not otherwise appropriated such amounts as are necessary to make the income of the fund not less than \$200,000,000 for each of the five fiscal years beginning July 1, 1968, and ending June 30, 1973.

(2) To the extent that any such sums so appropriated are not sufficient to make the total annual income of the fund amount to \$200,000,000 for each of such fiscal years, an amount sufficient to cover the remainder thereof shall be credited to the fund from revenues due and payable to the United States for deposit in the Treasury as miscellaneous receipts under the Outer Continental Shelf Lands Act, as amended: *Provided*, That notwithstanding the provisions of section 4601—6 of this title, moneys covered into the fund under this paragraph shall remain in the fund until appropriated by the Congress to carry out the purpose of sections 4601—4 to 4601—11 of this title.

Pub.L. 88-578, § 2, Sept. 3, 1964, 78 Stat. 897, amended Pub.L. 89-72, § 11, July 9, 1965, 79 Stat. 218; Pub.L. 90-401, §§ 1(a), 2, July 15, 1968, 82 Stat. 354, 355.

Library references: Fish & Game § 10(1); Game § 5; United States § 58, St.; C.J.S. Fish § 36; C.J.S. Game § 15; C.J.S. United States §§ 75, 79, 121; C.J.S. Warehousemen and Safe Depositaries § 39.

References in Text. The Outer Continental Shelf Lands Act, as amended, referred to in subsec. (c), is Act Aug. 7, 1953, c. 215, 67 Stat. 462, which is classified to section 1331 et seq. of Title 43, Public Lands.

1968 Amendment. Subsec. (a). Pub.L. 90-401, § 1(a), redesignated former subsec. (b) as subsec. (a). Former subsec. (a), except for the fourth paragraph thereof, established a system of admission and user fees for all Fed-

eral recreation areas and was eliminated. The fourth paragraph covering the repeal of provisions prohibiting the collection of recreation fees and user charges was redesignated as section 10 of Pub.L. 88-587 and is set out as section 4601-10.

Subsec. (b). Pub.L. 90-401, § 1(a), redesignated former subsec. (c) as subsec. (b).

Subsec. (c). Pub.L. 90-401, § 2, added subsec. (c).

TAB B
16 USC 4601-5

Cross References

Disposition of surplus Federal real property under Housing Act of 1949, see section 485 of Title 42, The Public Health and Welfare.

§ 485. Proceeds from transfer, sale, etc., of property—(a) Disposition of receipts

All proceeds under this subchapter from any transfer of excess property to a Federal agency for its use, or from any sale, lease, or other disposition of surplus property, shall be covered into the Treasury as miscellaneous receipts, except as provided in subsections (b) - (c) of this section.

§ 485. Proceeds from transfer, sale, etc., of property

Deposit of proceeds from sales; use; report

(b) All the proceeds of such dispositions of surplus real and related personal property made by the Administrator of General Services shall be set aside in a separate fund in the Treasury. Not more than an amount to be determined quarterly by the Director of the Bureau of the Budget may be obligated from such fund by the Administrator to pay the direct expenses incurred for the utilization of excess property and the disposal of surplus property under this chapter, chapter 11C of Title 5, chapter 4 of Title 41, and chapter 11 of Title 44 for fees of appraisers, auctioneers, and realty brokers, and for advertising and surveying. Such payments from this fund may be used either to pay such expenses directly or to reimburse the fund or appropriation initially bearing such expenses. Fees paid to appraisers, auctioneers, and brokers shall be in accordance with the scale of fees customarily paid for such services in similar commercial transactions, and in no event shall more than 12 per centum of the proceeds of all dispositions within each fiscal year of surplus real and related personal property be paid out of such proceeds under this authorization to meet direct expenses incurred in connection with such dispositions. Periodically, but not less often than once each year, any excess funds beyond current operating needs shall be transferred from the fund to miscellaneous receipts. *Provided*, That a report of receipts, disbursements, and transfers to miscellaneous receipts under this authorization

213

PUBLIC BUILDINGS, PROPERTY, ETC. 40 § 485

shall be made annually in connection with the Budget estimates to the Director of the Bureau of the Budget and to the Congress.

Credit to reimbursable fund or appropriation on certain transactions

(c) Where the property transferred or disposed of was acquired by the use of funds either not appropriated from the general fund of the Treasury or appropriated therefrom but by law reimbursable from assessment, tax, or other revenue or receipts, then the net proceeds of the disposition or transfer shall be credited to the reimbursable fund or appropriation or paid to the Federal agency which determined such property to be excess. *Provided*, That the proceeds shall be credited to miscellaneous receipts in any case when the agency which determined the property to be excess shall deem it uneconomical or impractical to ascertain the amount of net proceeds. As used in this subsection, the term "net proceeds of the disposition or transfer" means the proceeds of the disposition or transfer minus all expenses incurred for care and handling and disposition or transfer.

Special account deposits

(d) Any Federal agency disposing of surplus property under this subchapter (1) may deposit, in a special account with the Treasurer of the United States, such amount of the proceeds of such dispositions as it deems necessary to permit appropriate refunds to purchasers when any disposition is rescinded or does not become final, or payments for breach of any warranty, and (2) may withdraw therefrom amounts so to be refunded or paid, without regard to the origin of the funds withdrawn.

Sale proceeds offset against price or cost of contractor's work

(e) Where any contract entered into by an executive agency or any such contract authorizes the proceeds of any sale of property in the custody of the contractor to be credited to the price or cost of the work covered by such contract or subcontract, the proceeds of any such sale shall be credited in accordance with the

1. General Supply Fund—creation and composition of funds; availability, overhead costs.

(a) There is authorized to be set aside in the Treasury a special fund which shall be known as the General Supply Fund. Such fund shall be composed of the assets of the general supply fund (including any surplus thereon) created by section 3 of the Act of February 27, 1922 (45 Stat. 2042), and transferred to the Administrator by section 752 of this title, such sums as may be appropriated thereto and the value, as determined

265

756 - Independent Offices APPROPRIATION
Act, 1943 (76 STAT. 725)

40 § 703 PUBLIC BUILDINGS, PROPERTY, AND

by the Administrator, of inventories of personal property from time to time transferred to the Administrator by other executive agencies under authority of section 481(a) (2) of this title to the extent that payments are not made or credit allowed therefor, and the fund shall assume all of the liabilities, obligations, and commitments of the general supply fund created by such Act of February 27, 1929. The General Supply Fund shall be available for use by or under the direction and control of the Administrator (1) for procuring personal property (including the purchase from or through the Public Printer, for warehouse lease, of storage and forms, blankbook work, standard specifications, and other printed material in common use by Federal agencies not available through the Superintendent of Documents) and nonpersonal services for the use of Federal agencies in the proper discharge of their responsibilities, and (2) for paying the purchase price, transportation of personal property and services, and the cost of personal services employed directly in the repair, rehabilitation, and conversion of personal property.

Payments by requisitioning agencies: History of prices advance of funds.

(b) Payment by requisitioning agencies shall be at prices fixed by the Administrator. Such prices shall be fixed at levels so as to recover, as far as practicable the applicable purchase price, the transportation cost, inventory losses, the cost of personal services employed directly in the repair, rehabilitation, and conversion of personal property, and the cost of amortization and repair of equipment utilized for use or rent to executive agencies. Requisitioning agencies shall pay by advance of funds in all cases where it is determined by the Administrator that there is insufficient capital otherwise available in the General Supply Fund. Advances of funds also may be made by agreement between the requisitioning agency and the Administrator. Where an advance of funds is not made, the General Services Administration shall be reimbursed promptly out of funds of the requisitioning agency in accordance with accounting procedures approved by the Comptroller General: *Provided*, that in any case where payment shall not have been made by the requisitioning agency within forty-five days after the date of billing by the Administrator or the date on which an actual liability for personal property or services is incurred by the Administrator, whichever is the later, reimbursement may be obtained by the Administrator by the issuance of transfer and counterwarrants, or other lawful transfer documents, supported by itemized invoices.

Credit to fund

(c) The General Supply Fund shall be credited with all reimbursements, advances of funds, and refunds or recoveries relating to personal property or services procured through the fund, including the net proceeds of disposal of surplus personal property procured through the fund and receipts from carriers and others for loss of, or damage to, personal property procured through the fund; and the same are reappropriated for the purposes of the fund.

(d) Repealed. PUBLIC LAW 80-600, § 1(c), AUG. 21, 1958, 72 STAT. 401.

Annual audit; surplus; report to Congress

(e) The Comptroller General of the United States shall make an annual audit of the General Supply Fund as of June 30, and there shall be covered into the United States Treasury as miscellaneous receipts any surplus plus found therein, all assets, liabilities, and prior losses considered, above the amounts transferred or appropriated to establish and maintain said fund, and the Comptroller General shall report to the Congress annually the results of the audit, together with such recommendations as he may have regarding the status and operations of the fund.

Additional uses of fund

(f) Subject to the requirements of subsections (a)-(e) of this section, the General Supply Fund also may be used for the procurement of per-

sonal property and nonpersonal services authorized to be acquired by mixed-ownership Government corporations, or by the municipal government of the District of Columbia, or by a requisitioning non-Federal agency of Columbia, or by a Federal agency authorized to procure for it is transferred to the General Services Administration.

CLASSIFICATION TOP AND BOTTOM			
UNCLASSIFIED	CONFIDENTIAL	SECRET	
OFFICIAL ROUTING SLIP			
TO	NAME AND ADDRESS	DATE	INITIALS
1	Associate Deputy Director for Management and Services	seen by Mr. Wattles on 23 August 73	
2			
3			
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ACTION		DIRECT REPLY	PREPARE REPLY
APPROVAL		DISPATCH	RECOMMENDATION
COMMENT		FILE	RETURN
CONCURRENCE		INFORMATION	SIGNATURE
Remarks: Bob: In response to your query about the possible sale of [redacted] to the benefit of the Agency, the answer, as I already noted to you in a conversation the other day, is still no. Attached hereto is the history of our fairly recent experience with GSA on the sale of the [redacted] property [redacted] and, as you will see, Messrs. Bannerman, Houston, and White all finally agreed that money from the sale of property like this would go to the Treasury. Unless there is something else you have in mind at this time, I'll consider this note as closing the matter. Van [redacted]			
FOLD HERE TO RETURN TO SENDER			
FROM: NAME, ADDRESS AND PHONE NO.			DATE
Director of Logistics			8/22/73
UNCLASSIFIED			

Approved For Release 2000/04/18 : CIA-RDP81-00261R000500060058-2
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